

**AT A REGULAR MEETING OF THE MONTGOMERY COUNTY PUBLIC SERVICE
AUTHORITY, HELD ON THE 6TH DAY OF JULY 2009, 7:00 P.M., COUNTY
ADMINISTRATION CONFERENCE ROOM, MONTGOMERY COUNTY GOVERNMENT
CENTER, CHRISTIANSBURG, VIRGINIA:**

PRESENT:	James Politis	-Vice Chair
	Mary Biggs	-Secretary-Treasurer
	John Muffo	-Member
	William Brown	-Member
	Doug Marrs	-Member
	Robert C. Fronk	-PSA Director
	Linda Pendleton	-Senior Program Assistant
	Carol Edmonds	-Interim County Administrator
	Marty McMahon	-County Attorney
	Malvin Wells	-Planning Commission
ABSENT:	Gary Creed	-Chair
	Annette Perkins	-Member

CALL TO ORDER

Vice-Chair Politis called the meeting to order and determined that a quorum was present.

PUBLIC ADDRESS SESSION

Steve Semones, Balzer and Associates, gave an overview of three projects that he is currently representing for rezoning purposes. The projects discussed were S&P of Virginia, Emerald Investors and Roger Woody property. All properties are located in the Route 177 Corridor/Tyler Road area.

CONSENT AGENDA

On a motion by William Brown, seconded by Doug Marrs, and carried; IT WAS RESOLVED, that the Public Service Authority hereby approves the Consent Agenda, dated July 6, 2009.

The vote on the foregoing motion is as follows:

AYE	NAY	ABSENT
John Muffo		Gary Creed
William Brown		Annette Perkins
Doug Marrs		
Mary Biggs		
James Politis		

**APPROVAL OF MINUTES
DATED JUNE 1, 2009**

On a motion by William Brown, seconded by Doug Marrs, and carried; IT WAS RESOLVED, that the Public Service Authority hereby approves the minutes dated June 1, 2009.

The vote on the foregoing motion is as follows:

AYE	NAY	ABSENT
John Muffo		Gary Creed
William Brown		Annette Perkins
Doug Marrs		
Mary Biggs		
James Politis		

FIRE HYDRANT AVAILABILITY FEES ROLL OVER TO FY 2010 BUDGET

**R09-07-1
RESOLUTION APPROVING
ROLL OVER OF FIRE HYDRANT AVAILABILITY FEES
TO FY 2010 BUDGET**

On a motion by William Brown, seconded by Mary Biggs, and carried; IT WAS RESOLVED, that the Public Service Authority hereby authorizes the PSA Director to roll over \$13,055 for the fire hydrant availability fees from the 2009 PSA budget to the 2010 PSA budget.

The vote on the foregoing motion is as follows:

AYE	NAY	ABSENT
John Muffo		Gary Creed
William Brown		Annette Perkins
Doug Marrs		
Mary Biggs		
James Politis		

YEAR-END FACILITY FEES – TRANSFER TO BOARD DESIGNATED RESERVES

**R09-07-2
RESOLUTION AUTHORIZING DIRECTOR
TO TRANSFER \$60,000 FROM YEAR-END 09
FACILITY FEES TO BOARD DESIGNATED RESERVES**

On a motion by John Muffo, seconded by Doug Marrs, and carried; IT WAS REOLVED, that the Public Service Authority hereby authorizes the PSA Director to transfer \$60,000 from year-end 09 facility fees to the Board Designated Reserves.

The vote on the foregoing motion is as follows:

AYE	NAY	ABSENT
John Muffo		Gary Creed
William Brown		Annette Perkins
Doug Marrs		
Mary Biggs		
James Politis		

**WARM HEARTH SANITARY SEWER PUMP STATION REPLACEMENT PROJECT – BID
AWARD**

**R09-07-3
RESOLUTION APPROVING AWARD OF BID
TO STRUCTURES & UTILITIES CO., INC.
IN THE AMOUNT OF \$190,000 FOR THE
WARM HEARTH SANITARY SEWER PUMP STATION
REPLACEMENT PROJECT**

On a motion by William Brown, seconded by Mary Biggs, and carried; IT WAS RESOLVED, that the Public Service Authority hereby approves bid submitted by Structures & Utilities Co., Inc., in the amount of \$190,000 for the Warm Hearth Sanitary Sewer Pump Station Replacement Project; and, that the Chair is hereby authorized to execute documents pertaining to this award.

The vote on the foregoing motion is as follows:

AYE	NAY	ABSENT
John Muffo		Gary Creed
William Brown		Annette Perkins
Doug Marrs		
Mary Biggs		
James Politis		

FINANCIAL REPORT

The financial report for period ending June 30, 2009 was presented for review and discussion.

DIRECTOR'S REPORT

The Director's Report included the following items:

1. Monthly Activities Report
The June 2009 report was presented for review.
2. Fiscal Year 2009 Cash Balance Graph
A graph of total water and sewer accounts cash balances for all workdays from July 1, 2008 to June 30, 2009 was presented for review.
3. Plum Creek Water System Leak Adjustment
By letter dated June 15, 2009, the PSA was informed that we would be receiving a leak adjustment from the City of Radford for the water leak repaired on February 10, 2009 which accounted for a loss of about 35,000 gallons per day. The request for the leak adjustment was sent to the Radford City Manager on February 16, 2009.
4. Prices Fork Water System Supply
By letter dated June 22, 2009, the PSA was informed by Alliant Techsystems (RAAP) that our request for compensation for the additional cost of purchased water from Blacksburg for the last loss of water supply from RAAP was denied.
5. VDH Planning Grant for the Christiansburg-Elliston Water System Leak Study
The PSA was notified by letter dated June 9, 2009 that our request to transfer the Virginia Department of Health (VDH) Planning/Design Grant in the amount of \$35,000 from the Plum Creek to Christiansburg - Elliston water system had been approved.

The recent corrections to the Plum Creek system negate the need for this study in that system and the Christiansburg - Elliston water system has the next highest water loss of the PSA water systems.

6. Prices Fork Water System Disinfection By-Products Sample Results

Initially it appeared that the PSA may have had an exceedance of the Total Haloacetic Acids (HAA5) limit for the 2nd quarter of 2009. Additional sampling for this parameter achieved compliance for this period.

7. Mid-County Sewer Replacement Project

The contractor for this project has completed the work. Payment for \$50,865 has been processed using Board Designated Reserves to insure a timely payment. A request for reimbursement for the agreed upon \$47,738 from VDOT was made June 16, 2009.

This project was to relocate a section of sewer under excessive fill in the Duncan site and to replace a section of improperly relocated sewer during the Rt. 460 By-pass project.

8. Proposed City of Radford Water System Improvements

On June 15, 2009, Radford staff reviewed the proposed upgrades to their water system and impacts to the PSA Plum Creek and Bethel water systems. Radford was shortlisted for 50% project "stimulus" funding but would only receive funding if higher priority projects decline their funding offers. Radford indicated the project will proceed in the next year if they are provided "stimulus" funding and if not provided funding, the project may be delayed for several years.

The proposed changes include increasing the Radford water system pressure about 20 pounds per square inch (psi) and installation of a new water storage tank. These changes will impact the operation of both PSA water systems as follows:

1. Bethel system will see an increase in the water pressure to the existing pump station which will result in the pumps discharging at a higher flow rate and a more efficient operating point.

2. Plum Creek system will require installation of a pressure reducing valve (PRV) to match the existing water system pressure. Radford would install one PRV and a second PRV for redundancy could be installed by the PSA if desired. The PRV could be outfitted with telemetry controls to allow enhanced water system operations to improve water quality. Radford also offered the option to increase their proposed water storage tank size by 250,000 gallons at a cost of \$90,000 to the PSA so that the existing water storage tank could be taken out of service.

9. Radford Hospital Sewer Pump Station Pump Failure

On Friday June 26, 2009, the PSA experienced another pump failure at the Radford Hospital on the recently rebuilt pump. The new pump is still in service and a smaller pump has been temporarily installed as a backup.

Earlier this month staff met with factory and vendor representatives for the pump to review the situation. This review indicated that the PSA staff evaluated and performed all appropriate troubleshooting steps. The factory is looking to provide a "loaner" pump to install in the pump station so that they may breakdown the rebuilt pump to evaluate the pump rebuilding process/shop.

AEP installed a voltage recorder on the circuit June 30, 2009 to evaluate the electric supply to determine if it is a factor in the situation.

10. VPI&SU Water Infrastructure Asset Management Seminar

On June 17, 2009, the Director attended a Water and Sewer Infrastructure Asset Management Seminar at Virginia Tech. This seminar addressed the growing concern with the aging water/sewer infrastructure and general lack of adequate planning and funding for replacement of the water/sewer infrastructure.

11. Ironto Water Line Extension Project

This water line extension project extends the end of the existing public water line along North Fork Road (Rt. 603) across I81 and terminating at the truck stop on the north side of I81. This project is still pending due to ongoing easement acquisition.

12. Consumer Confidence Reports
As required by the Virginia Department of Health, the 2008 Consumer Confidence Report for each water system was mailed out to the customers within the water system. Each system report contains the specific information for that water system (total of 10 systems). A copy of a report was presented your review.

AUTHORITY MEMBERS' REPORT

There were no reports from the Board.

INTO CLOSED MEETING (In at 7:30 p.m.)

On a motion by Mary Biggs, seconded by John Muffo, and carried; IT WAS RESOLVED, that the Public Service Authority hereby enters into Closed Meeting for discussion of the following:

Section 2.2-3711	(7) Consultation with Legal Counsel and Briefings by Staff Members or Consultants Pertaining to Actual or Probable Litigation, Where Such Consultation or Briefing in Open Meeting Would Adversely Affect the Negotiating or Litigating Posture of the Public Body; and Consultation with Legal Counsel Employed or Retained by a Public Body Regarding Specific Legal Matters Requiring the Provision of Legal Advice by Such Counsel
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1. Sewer Agreement – City of Radford

The vote on the foregoing motion is as follows:

AYE John Muffo William Brown Doug Marrs Mary Biggs James Politis	NAY	ABSENT Gary Creed Annette Perkins
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OUT OF CLOSED MEETING (Out at 8:28 p.m.)

On a motion by Mary Biggs, seconded by William Brown, and carried; IT WAS RESOLVED, that the Public Service Authority ends their Closed Meeting to return to Regular Session.

The vote on the foregoing motion is as follows:

AYE John Muffo William Brown Doug Marrs Mary Biggs James Politis	NAY	ABSENT Gary Creed Annette Perkins
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CERTIFICATION OF CLOSED MEETING

On a motion John Muffo, seconded by Mary Biggs, and carried; IT WAS RESOLVED, that the Public Service Authority of Montgomery County has convened a Closed Meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3711 of the Code of Virginia requires a certification by the Board that such Closed Meeting was conducted in conformity with Virginia law.

NOW, THEREFORE BE IT RESOLVED, that the Public Service Authority does hereby agree, that to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the meeting to which this certification resolution applies; and (ii) only public business matters as were identified in the motion conveying the Closed Meeting were heard, discussed or considered by the Authority.

The vote on the foregoing motion is as follows:

AYE	NAY	ABSENT
John Muffo		Gary Creed
William Brown		Annette Perkins
Doug Marrs		
Mary Biggs		
James Politis		

ADJOURNMENT

On a motion by Doug Marrs, seconded by Mary Biggs, and carried; IT WAS RESOLVED, that the Public Service Authority hereby adjourns to the next meeting scheduled for August 3, 2009.

The vote on the foregoing motion is as follows:

AYE	NAY	ABSENT
John Muffo		Gary Creed
William Brown		Annette Perkins
Doug Marrs		
Mary Biggs		
James Politis		